

**RESOLUTION ESTABLISHING THE ELECTION FOR  
FOURTH MEMBER  
OF THE  
BOARD OF INVESTMENTS**

WHEREAS, under the provisions of the County Employees Retirement Law of 1937, the Board of Investments shall consist of nine members; and

WHEREAS, the term of the Fourth Member of the Board of Investments will expire on December 31, 2010; and

WHEREAS, pursuant to the provisions of the County Employees Retirement Law of 1937, Section 31520.2 of the Government Code, a successor shall be elected to fill the office for the term beginning January 1, 2011, at an election conducted in a manner to be determined by the Board of Supervisors:

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Los Angeles that the nomination of candidates and the election of the Fourth Member of the Board of Investments of the Los Angeles County Employees Retirement Association, elected by the Safety Members of said Retirement Association to fill the term beginning January 1, 2011 and expiring December 31, 2013, shall be in accordance with the rules and procedures herein prescribed:

1. The Executive Officer of the Board of Supervisors shall supervise the election for the Fourth Member of the Board of Investments of the Los Angeles County Employees Retirement Association.
2. The Executive Officer of the Board of Supervisors shall, on or before Monday, April 12, 2010, notify department heads who employ Safety Members of the election and shall provide department heads with an election notice for use in notifying their respective employees.

3. Department heads with Safety Member employees in their departments shall notify their employees of the election by posting sufficient copies of the election notice on or before Monday, April 26, 2010.
4. The Executive Officer of the Board of Supervisors, through a coordinated effort with the Chief Information Office, Internal Services and Auditor-Controller Departments, shall, on Friday, April 23, 2010 send an email to all Safety Members advising them of the upcoming LACERA election.
5. Each department head with Safety Members in his or her department shall appoint at least one employee who will act as the departmental election coordinator, and at least one employee who will act as the alternate departmental election coordinator. Election coordinators and alternate coordinators shall be responsible for communicating election information to the employees of the department, and shall attend all training sessions, as specified by the Executive Officer of the Board of Supervisors, regarding the administration of the election. Departments with work locations which have more than 100 employees who are eligible to vote are urged to select an on-site election coordinator for each of these locations. It is the responsibility of the department head to notify the Executive Office of the Board of Supervisors at (213) 974-1093 or email to LACERA\_ELECTION@bos.co.la.ca.us the names, telephone numbers, work place mailing addresses and/or email addresses for employees appointed on or before Tuesday, April 20, 2010.
6. Candidates shall be Safety Members of the Association and shall be nominated by petition signed by at least fifty (50) active Safety Members of the Los Angeles County Employees Retirement Association as of March 1, 2010, and no member may sign more than one nominating petition. Nominating petitions may be obtained from the Registrar-Recorder/County Clerk, 12400 E. Imperial Highway, Norwalk, 90650, on or after Monday, May 3, 2010. The request for nomination papers supplied by the Registrar-Recorder/County Clerk shall be completed by each requesting party. Nominating petitions must be filed with the Registrar-

Recorder/County Clerk, 12400 E. Imperial Highway, Norwalk, 90650, no later than 5:00 p.m. on Wednesday, June 2, 2010.

7. Each department head shall allow all nominees to solicit nominating signatures and candidates to engage in campaign-related activities during working hours on County property, provided such signature solicitation and campaign activities are conducted during the employees' lunch, break time, or other off-duty time and does not interfere with County operations or the conduct of County business.
8. The Registrar-Recorder/County Clerk shall examine the signatures on the nominating petitions and notify each nominee of his or her status, no later than 5:00 p.m. on Monday, June 7, 2010. If the Registrar-Recorder/County Clerk determines that only one member has been duly nominated, pursuant to the provisions of the County Employees Retirement Law of 1937, Section 31523 of the Government Code, the Registrar-Recorder/County Clerk shall notify the Board of Supervisors and the Board of Supervisors shall order that no election be held and the Executive Officer of the Board of Supervisors shall be directed to cast a unanimous ballot in favor of such nominated member. If more than one member has been duly nominated, the Registrar-Recorder/County Clerk shall certify to the Executive Officer of the Board of Supervisors by Monday, June 7, 2010, the names of candidates to be placed on the official ballot.
9. Nominees in this election may file with the Registrar-Recorder/County Clerk a statement of qualifications of not more than 200 words. Words shall be counted as provided in Elections Code Section 9. Any statement of qualifications filed with the Registrar-Recorder/County Clerk shall be limited to a recitation of the nominee's own personal background and qualifications, and shall not in any way make reference to other nominees or to another nominee's qualifications. A nominee may file his or her statement of qualifications beginning Monday, May 3, 2010. No statement of qualifications may be withdrawn and/or re-filed after 5:00 p.m., Wednesday, June 2, 2010. The statement shall become a part of the official ballot, except as provided in paragraph 10, below.

10. Upon close of the statement of qualifications filing period, the Registrar-Recorder/County Clerk shall examine each statement of qualifications. Any statement of qualifications which the Registrar-Recorder/County Clerk determines is not limited to a recitation of the nominee's own personal background and qualifications or which includes any reference to other nominees or to another nominee's qualifications shall not be printed or circulated by the Registrar-Recorder/County Clerk. The Registrar-Recorder/County Clerk shall notify each nominee by telephone at his or her telephone number that the nominee has provided, and/or via U.S. Mail to the nominee's mailing address if the nominee's statement of qualifications is rejected pursuant to this provision. The decision of the Registrar-Recorder/County Clerk to accept or reject a nominee's statement of qualifications is final. Any statement of qualifications filed with the Registrar-Recorder/County Clerk shall, upon close of the statement of qualifications filing period, be made available for public inspection and copying. Any judicial proceeding challenging the decision of the Registrar-Recorder/County Clerk to reject or accept a nominee's statement of qualifications shall be governed, to the extent determined applicable by the courts, under the procedures set forth in Elections Code Section 13314.
11. A statement of qualifications shall be open to public inspection for a period of five business days excluding weekends (Saturday and Sunday) and holidays. Candidate's statements of qualifications will be available for inspection at the Registrar-Recorder/County Clerk, 12400 E. Imperial Highway, Norwalk, 90650, beginning on Monday, June 7, 2010, and ending at 5:00 p.m. Friday, June 11, 2010. On Monday, June 14, 2010, candidate's statements of qualifications approved by the Registrar-Recorder/County Clerk may be viewed at:

[http://bos.co.la.ca.us/lacera\\_election.htm](http://bos.co.la.ca.us/lacera_election.htm).

12. The form of ballot to be used at the election shall be prepared by the Registrar-Recorder/County Clerk and additional materials shall include: (1) a list of the certified candidates in random order with a voting space opposite each name and sufficient information to acquaint members with the nature of the election and the proper method of casting a ballot; (2) statements of qualifications if properly filed by the candidates; (3) a return envelope postage prepaid; (4) a statement of powers and duties of Investments Board Members (see Attachment A); and (5) a ballot insert with the following identifying information:

EMPLOYEE NAME, MAILING ADDRESS, EMPLOYEE NUMBER,  
DEPARTMENT NUMBER, AND PAY LOCATION AS OF MARCH 1, 2010

13. The Registrar Recorder/County Clerk shall certify a list of qualified candidates to the Executive Office of the Board of Supervisors on Monday, June 7, 2010. A public drawing will be held to determine the ballot order at 2:00 p.m. on Tuesday, June 8, 2010 in the Executive Office of the Board of Supervisors, 383 Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles.
14. The Auditor-Controller shall provide to the Executive Officer of the Board a master file of Safety Members on or before Monday, April 12, 2010 from which the following will be generated: (1) a ballot insert, as described in paragraph 12 of this resolution for each eligible Safety Member of the Retirement Association as of March 1, 2010 in alphabetical order, employee number suborder, and (2) two copies listing all such members in the described order.
15. The Registrar-Recorder/County Clerk shall mail the official ballot to the mailing address of eligible Safety Members beginning on Monday, June 21, 2010 and by 5:00 p.m. Friday, June 25, 2010 all ballots must be mailed. The ballots shall be mailed via U.S. Mail using mailing addresses listed on the Auditor-Controller's master address file. The Registrar Recorder/County Clerk will forward to the Executive Officer of the Board of Supervisors by Monday, June 28, 2010 verification that all ballots were mailed as described in this resolution.

16. Any County employee who is a candidate in this election is a candidate in his or her personal capacity, and may not use County time or County resources to further his or her campaign or election. Any candidate who violates this provision is subject to discipline, including discharge from County employment.
17. Each department head shall designate existing departmental bulletin board space for all candidates to display campaign material. All campaign material shall clearly state that employees are prohibited from using County time or County resources to further the campaign or election of the candidate.
18. Upon request of a candidate, on or after Monday, June 7, 2010, each department head shall provide the address of the department's work locations where employees who are eligible to vote in this election are employed.
19. Except as otherwise prohibited by law, employees may wear campaign badges or buttons during working hours.
20. Members eligible to vote in this election shall be Safety Members of the Retirement Association on or before March 1, 2010. Eligible Safety Members who do not receive a ballot by Tuesday, July 6, 2010 and who desire to vote shall notify in writing their department election coordinator on or before Tuesday, July 13, 2010. The department election coordinator shall submit to the Registrar-Recorder/County Clerk these written statements along with the employee's name, current mailing address, employee number and department in which employed as of March 1, 2010 on the Request for Duplicate Election Ballot Form provided by the Executive Office of the Board of Supervisors on or before Tuesday, July 13, 2010. The Registrar-Recorder/County Clerk must receive the request by Tuesday, July 13, 2010. Duplicate ballots shall be issued only to those Safety Members who submit the required written statement and whose names appear on both the Request for Duplicate Election Ballot signed by the election coordinator and the duplicate listing of the Auditor-Controller's master address file.

21. The Registrar-Recorder/County Clerk shall mail the requested duplicate ballots via U.S. Mail by Thursday, July 15, 2010, to the mailing address supplied by members on the Request for Duplicate Election Ballot Form.
22. Each ballot may be voted only by the member to whom it is issued. No member may vote more than once in this election.
23. The Registrar-Recorder/County Clerk shall maintain internal controls to ensure that no more than one vote is cast per member to protect the integrity of the election.
24. To be eligible for counting, ballots shall be returned to the Registrar-Recorder/County Clerk in the envelope provided via U.S. Mail or personal delivery; shall be completed by each voter with his or her employee number, printed name and signature in the space provided on the reverse of said envelope; and shall be received by the Registrar-Recorder/County Clerk by 5:00 p.m., Tuesday, July 27, 2010. There are no provisions for write-in candidates; therefore, no write-in votes shall be counted.
25. The Registrar-Recorder/County Clerk shall canvass the votes cast at the election and shall certify the results to the Executive Office of the Board of Supervisors on or before Friday, July 30, 2010.
26. The Registrar-Recorder/County Clerk shall (a) telephone each candidate receiving more than 20 percent of the total vote cast at his or her telephone number provided as to the results as certified on or before Friday, July 30, 2010 and (b) send written notice of the results via U.S. Mail to each candidate's mailing address on or before Friday, July 30, 2010

27. In the event a candidate makes a request for a recount of the election results, the requestor shall bear the cost of such a recount. A written request for a recount shall be filed with the Registrar-Recorder/County Clerk no later than 5:00 p.m., Friday, August 6, 2010. The candidate filing the request for the recount shall, before the recount is commenced and at the beginning of each day following, deposit with the Registrar-Recorder/County Clerk a sum as required by the Registrar-Recorder/County Clerk to cover the cost of the recount for that day. The Registrar-Recorder/County Clerk shall commence a recount no later than Friday, August 13, 2010. In the event the recount results in a determination that the candidate who requested the recount has received a plurality of the votes cast, all money deposited shall be returned to the candidate. The recount conducted by the Registrar-Recorder/County Clerk shall be open to the public.
28. In the event any candidate desires to protest the results of the election, he or she must file a written protest with the Executive Office of the Board of Supervisors no later than 5:00 p.m., Friday, August 6, 2010. The written protest must specify the grounds for the protest and be accompanied by supporting documentation.
29. The Board of Supervisors at its meeting on Tuesday, September 7, 2010, or on a date following the completion of any recount and/or investigation of a protest, shall declare the results official. The person receiving the highest number of votes shall be declared elected. In the event two or more persons tie for first place, such persons shall determine, by drawing lots before the Board, which of them shall be elected.

30. In lieu of declaring the results official, the Board of Supervisors may order a new election if the Board determines, on the basis of written protest or on its own motion, that any error, omission or neglect occurred attributable to the County in the administration of the election sufficient to change the result. The rejection of a candidate's statement of qualifications by the Registrar-Recorder/County Clerk, or the failure of the Registrar-Recorder/County Clerk to reject a candidate's statement of qualifications, shall not constitute grounds for a new election. Allegations of candidate misconduct shall not constitute grounds for a new election, but, if later substantiated, may lead to administrative discipline or criminal liability.
31. Election material retained by the Executive Officer of the Board of Supervisors and nominating petitions and ballots retained by the Registrar-Recorder/County Clerk may be discarded or otherwise disposed of sixty (60) days after the date of the final declaration of the election results by the Board of Supervisors.
32. The Executive Officer of the Board of Supervisors may, in the exercise of her discretion, implement additional procedures as she may deem necessary in order to preserve a fair and equitable election process. The Executive Officer of the Board of Supervisors shall, within ten (10) days, notify the Board of Supervisors, the Boards of Investments and Retirement and all candidates of any additional procedures implemented pursuant to this provision.

The foregoing resolution was on the 6th day of APRIL 2010, adopted by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.



Sachi A. Hamai, Executive Officer-  
Clerk of the Board of Supervisors of the  
County of Los Angeles

By: *Sachi A. Hamai*

Deputy

APPROVED AS TO FORM:

Andrea Sheridan Ordin  
County Counsel

By *Judy Whitehurst*

Judy Whitehurst  
Principal Deputy County Counsel

## **ATTACHMENT A**

### **POWERS AND DUTIES OF INVESTMENTS BOARD MEMBERS**

**The Board of Investments provides this summary to enable voters to evaluate candidates for the Board of Investments. The Board urges voters to review this summary prior to voting.**

The Board of Investments has two (2) primary responsibilities; the investment of LACERA's Retirement Fund (\$30.5 billion as of June 30, 2009), and the determination of County and member contribution rates.

The Board of Investments has exclusive control of all retirement system investments and is responsible for establishing investment objectives, strategies, and policies. LACERA's investment portfolio is, with very minor exceptions, externally managed. The Board does not make individual investment selections for the externally managed portfolio; rather, it selects investment advisors and managers to make investments for LACERA in accordance with investment objectives and guidelines established by the Board. In addition, the Board of Investments and its staff continually monitor and evaluate the investment activities and results of its advisors and managers. Under the Board's Securities Litigation Policy, the Board of Investments, with the assistance of counsel and staff, is also charged with actively identifying, evaluating and monitoring those securities class action lawsuits in which the fund has sustained a loss, and to determine whether the best interests of the fund would be served by actively participating in such cases.

Investment Board members act as fiduciaries for LACERA and its members. Board members have a constitutional and statutory duty to "diversify the investments of the system so as to minimize the risk of loss and maximize the rate of return, unless under the circumstances it is clearly not prudent to do so." These duties require members of the Board of Investments to spend substantial time educating themselves and staying current on investment matters. This is accomplished through attendance at courses such as the "Portfolio Concepts and Management" or "Investment Management" courses sponsored by the Wharton School of Economics, and at conferences and seminars held throughout the year. A newly elected member of the Board should expect to devote considerable time and effort in gaining the education and expertise necessary to carry out his or her important responsibilities.

Using an actuarial valuation process, the Board of Investments determines the level of contributions necessary to fund retirement benefits. The Board of Investments is responsible for setting actuarial valuation policies, selecting the actuary who will perform the valuation, and for approving the actuarial valuation services provided. At least every three years, the actuary submits to the Board of Investments for the Board's approval such changes in County and member contribution rates as are necessary to fund retirement benefits.

The Board of Investments shares some responsibilities with the Board of Retirement. The Boards of Retirement and Investments, acting jointly, adopt the annual budget covering LACERA's operations. Additionally, the two Boards act jointly in employee relations matters, including the approval of class specifications for LACERA employees, the approval of Memoranda of Understanding (MOUs) negotiated with SEIU Local 721, the union bargaining for represented employees of LACERA, and the approval of compensation to be provided to LACERA's nonrepresented employees.

The Board of Investments meets on the second Wednesday of each month, with meetings generally lasting from 4 to 6 hours. Special meetings may be held from time to time. In addition to the time required to attend meetings, Board members must review materials prior to the meeting. Such review and preparation may require several hours prior to the meeting. Under Government Code Section 31522, as to those elected Board members who are also employed by the County or a participating district, their LACERA duties are included as part of their County or district employment.

The Board of Investments cannot grant benefit increases and is not responsible for the administration of retirement benefits. The Legislature has assigned the administration responsibilities to the Board of Retirement.

APPROVED BY THE BOARD OF INVESTMENTS ON MARCH 10, 2010.